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6 **UNITED STATES BANKRUPTCY COURT**

7 **EASTERN DISTRICT OF CALIFORNIA—SACRAMENTO DIVISON**

8 In re Case No. 22-22056-A-7

9 **David R. Michal**

10 Debtors.

**JOINT STATUS REPORT**

11 Date: December 5, 2022  
Time: 9:00 a.m.  
Location: 501 I Street, 7<sup>th</sup> Fl., Courtroom 28,  
Sacramento, CA

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13 *Judge Fredrick E. Clement*

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15 Pursuant to the Court's Orders, the Parties' counsel has met and conferred by telephone and  
16 submit the following Joint Status Report:

17 1. **Remaining Legal/Factual Issues**

18 A. Does the debtor have 12 or more entities that are the holders of claims against him? This  
19 issue remains in dispute. The debtor's Answer to the Petition asserts that he does have 12 creditors,  
20 including living expenses that he pays on a monthly basis such as utilities, internet, television, cell  
21 phone and pest control. As of the preparation of this Status Report he has not filed the statement  
22 required under Bankruptcy Rule 1003 (b) but will do so.  
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1                   Petitioner's Position

2                   As debtor has previously testified that he only had 2 creditors, Petitioners will need to verify  
3 the claims but ultimately believe the claims will not be counted toward the total of creditors of  
4 debtor, as either di minimis or otherwise excluded from the tally.

5                   Debtor's Position

6                   Debtor's position is that he has 12 creditors.

7                   B. Do the petitioning creditors represent one entity holding a claim against the debtor or three?  
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9 Depending on the outcome of the issue A, above, this issue is disputed.

10                  C. Is the debtor generally not paying his debts as such debts become due? This issue is disputed.

11                  Petitioners' Position

12                  Debtor is not paying his debts as they become due. As the Petitioning Creditors' claims  
13 exceed 78% of Debtors' entire debt and as Debtor has not, and is not, paying it, it is irrelevant as to  
14 whether Debtor is paying his other debts when they become due.

15                  Debtor's Position

16                  Debtor is generally paying all debts except the Petitioners' claims.

17                  **2. Requests for Discovery including an estimate of time required for completion**

18                  As there are factual issues involving Debtor's claim of 12 creditors, and potentially concerning  
19 the status of payment of the Petitioners' claims, discovery will be necessary. The parties have  
20 discussed a 60–90-day period to complete discovery. The Petitioning Creditors have sent written  
21 discovery and have scheduled the deposition of the debtor for December 15, 2022.  
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24                  **3. The appropriateness of Rule 26(a)(1) disclosures**

25                  The parties have agreed to informal disclosure and do not believe Rule 26(a)(1) disclosures  
26 are necessary.

27                  **4. The necessity of summary judgment**

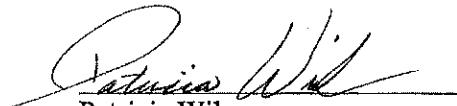
1 At this time the parties do not believe summary judgment would be appropriate.

2 **5. An assessment of usage of Alternate Direct Testimony and a timeline for trial**

3 The parties are neutral on the issue of the use of Alternate Direct Testimony. Given the need  
4 for discovery as set forth above, trial should be set in late January-early February.

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6 Date: November 28, 2022  
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Charles Hastings  
Counsel for the Petitioning Creditors

  
Patricia Wilson  
Counsel for Debtor

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